

Office of the State Controller

Information Technology Plan

For 2014-2016 Biennium



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1 INTRODUCTION

1.1 PURPOSE

The purpose of this document is to provide agency data for the Information Technology Plan for the 2014-2016 Biennium to the North Carolina State Chief Information Officer (SCIO) as required by G.S. 147-33.72B. The statute mandates that each agency submit a technology plan to the SCIO by October 1 of each even-numbered year. The State Information Technology Plan (Plan) is required to cover a five-year time period. To properly inform the Plan, agency plans are also required to cover a five-year time period.

1.2 ROADMAP

NOTE: Initiatives that cover more than one goal are repeated for each goal, but will be the same initiative

Goal	Objective	Initiative	Description	Funding Mechanism
Goal 1 Provide excellent enterprise customer service	Objective 1.1 Develop/Implement facilitative technology systems	Initiative 1.1.1	Implementation of finance backbone / NCAS replacement	Incremental Recurring and Non-recurring Appropriation
		Initiative 1.1.2	CMCS to Core Banking	Existing Appropriation
	Objective 1.2 Improve HR/Payroll Reporting	Initiative 1.2.1	Roll out Business Objects to improve HR/Payroll reporting	Ongoing Operational Maintenance
Goal 2 Optimize Operational Execution	Objective 2.1 Develop/Implement facilitative technology systems	Initiative 2.1.1	Implementation of finance backbone / NCAS replacement	Incremental Recurring and Non-recurring Appropriation
		Initiative 2.1.2	CMCS to Core Banking	Existing Appropriation

Goal	Objective	Initiative	Description	Funding Mechanism
	Objective 2.2 Improve HR/Payroll Infrastructure	Initiative 2.2.1	Refresh BEACON HR/Payroll Hardware	Incremental and Existing Appropriation
Goal 3 Manage Risk Effectively and Efficiently	Objective 3.1 Develop/Implement facilitative technology systems	Initiative 3.1.1	Implementation of finance backbone / NCAS replacement	Incremental Recurring and Non-recurring Appropriation
		Initiative 3.1.2	CMCS to Core Banking	Existing Appropriation
Goal 4 Foster a High Performance Culture	Objective 4.1 Develop/Implement facilitative technology systems	Initiative 4.1.1	Implementation of finance backbone / NCAS replacement	Incremental Recurring and Non-recurring Appropriation
		Initiative 4.1.2	CMCS to Core Banking	Existing Appropriation
	Objective 4.2 Improve HR/Payroll Reporting	Initiative 4.2.1	Roll out Business Objects to improve HR/Payroll reporting	Ongoing Operational Maintenance

2 OFFICE OF THE STATE CONTROLLER IT PLAN EXECUTIVE SUMMARY

The State Controller is the State's Chief Fiscal Officer. The Controller serves as an independent resource to protect the financial integrity of the State and to promote accountability in an objective and efficient manner through its accounting, disbursing, payroll, internal control, data management, eCommerce and financial reporting systems.

The Vision of the Office of the State Controller is to be an organization committed to excellence in:

- Ensuring maximum funds are available for Treasury investment
- Delivering cost effective quality services that achieve efficiencies and promote collaboration
- Building and maintaining core enterprise business systems

The ultimate goal of the Office of the State Controller is to "Provide Excellent Enterprise Customer Service", which will be achieved by also reaching these additional goals:

- Optimize Operational Execution
- Manage Risk Effectively and Efficiently
- Foster a High Performance Culture

The Office of the State Controller's Information Technology (IT) Plan has been developed to support this vision and mission and these goals. It is also consistent with the "business capabilities" of the Office of the State CIO, in particular with the "Enterprise Resource Planning" and "Application and Service Modernization" capabilities.

There are four major initiatives included in the Office of the State Controllers 2014-2016 Biennium IT Plan. They include:

- Implementation of finance backbone / NCAS replacement
- CMCS to Core Banking
- Roll out Business Objects to improve HR/Payroll reporting
- Refresh BEACON HR/Payroll Hardware

These four initiatives are all designed to improve our enterprise customer service, optimize the operation execution of both our office and the agencies we serve, improve our risk management and help to foster high performance in the State.

In addition to these four major initiatives, there are multiple smaller initiatives and projects that support and further the vision, mission and goals of the Office.

3 GUIDANCE

3.1 SCIO GUIDANCE

IT Vision

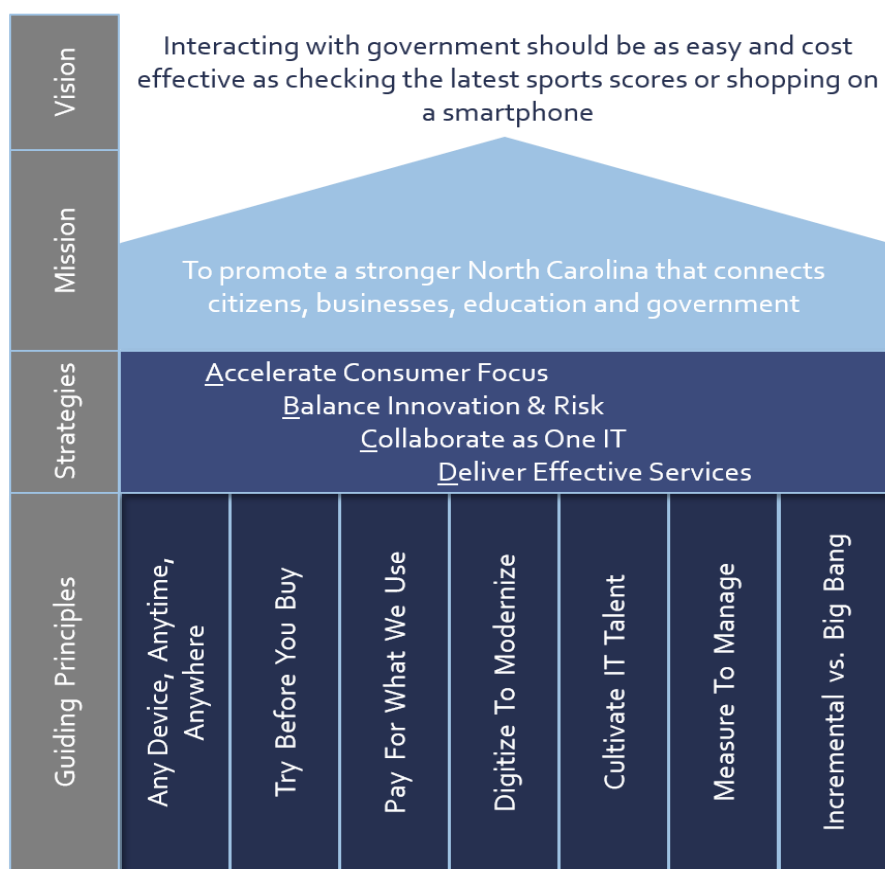
Making government services more accessible and efficient for all consumers is the foundation of the One IT strategy.

IT Mission

Promoting a stronger North Carolina that connects citizens, businesses, education, and government is the mission of IT.

IT Strategies

Strategies focus organizations to achieve complicated goals or objectives. With an eye to the future while sustaining current foundational requirements, the SCIO has adopted the “ABC” strategy to fix and modernize IT.



IT Vision, Mission, and Strategies

Strategy	Intended to:
A. Accelerate Consumer Focus	Embrace the consumerization of IT with a focus on the requirements of the consumer of technology
B. Balance Innovation and Risk	Try newer technologies while managing enterprise risk
C. Collaborate as One IT	Work as a team to accomplish our mission
D. Deliver Effective Operations	Focus on achieving business outcomes through effective and efficient technology delivery

In addition to the seven guiding principles outlined above, the SCIO’s [Cabinet Unite IT Strategy](#) focuses strongly on collaborative IT governance, big data and analytics (to include, but not limited to, work with GDAC and GIS), IT operations, and innovation.

The table below outlines the six IT business capabilities and five IT organizational capabilities highlighted in the Cabinet Unite IT Strategy.

Business Capabilities	Organizational Capabilities
Digital Focus	Collaborative IT Governance
Big Data and Analytics	Strategic Planning and Architecture
Enterprise Resource Planning	IT Program and Project Management
Application and Service Modernization	Innovation
Risk Management and Security	Talent Development and Management
IT Operations	

Please consider these areas, along with the seven guiding principles and your agency-specific goals and objectives when creating agency IT goals and objectives.

4 OFFICE OF THE STATE CONTROLLER VISION, MISSION, VALUES AND GOALS

4.1 VISION

OSC is an organization committed to excellence in:

- Ensuring maximum funds are available for Treasury investment
- Delivering cost effective quality services that achieve efficiencies and promote collaboration
- Building and maintaining core enterprise business systems

4.2 MISSION

OSC's mission is to protect the financial integrity of the State and promote accountability in an objective and efficient manner.

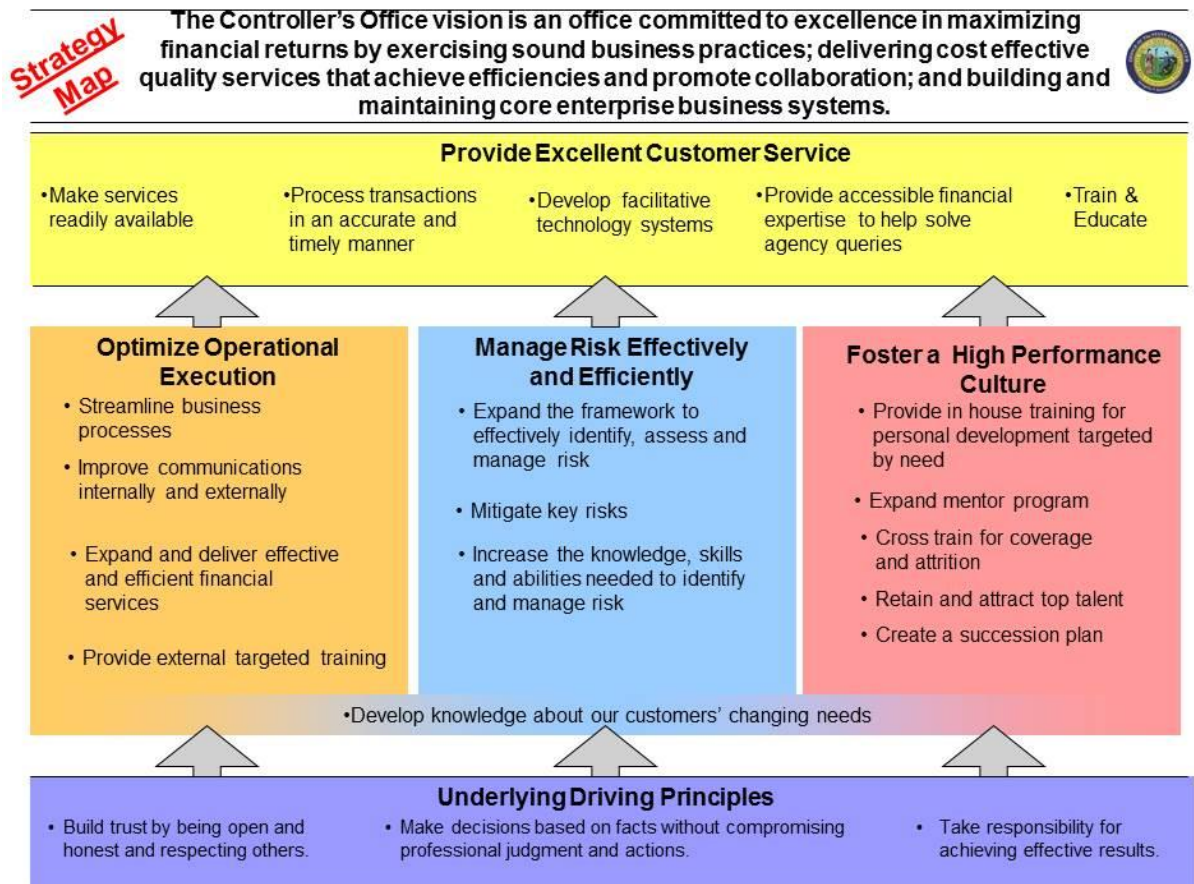
4.3 VALUES

- Build trust by being open and honest and respecting others
- Make decisions based on facts without compromising professional judgment and actions
- Take responsibility for achieving effective results

4.4 AGENCY GOALS

The ultimate goal of the Office of the State Controller is to "Provide Excellent Enterprise Customer Service". We will achieve this by also reaching these additional goals:

- Optimize Operational Execution
- Manage Risk Effectively and Efficiently
- Foster a High Performance Culture



5 OFFICE OF THE STATE CONTROLLER IT VISION, MISSION, AND VALUES

5.1 IT VISION

5.2 IT MISSION

5.3 IT VALUES

The Vision, Mission and Value of the Information Technology Division for the Office of the State Controller is to support the Vision, Mission and Values of the agency from a technological point of view. It is also consistent with the “business capabilities” of the Office of the State CIO, in particular with the “Enterprise Resource Planning” and “Application and Service Modernization” capabilities. The annual direction for the Office of the State Controller’s IT team over the past four years includes:

- O³
 - Operationalize
 - Organize
 - Optimize
- SERVE
 - Self-sufficiency
 - Efficiency
 - Responsiveness
 - Value Add
 - Excellence
- SCORE
 - Strategic Focus
 - Customer Focus
 - O³
 - Responsive
 - Expansion
- Customer Focus

For 2014, the goals for both the Office of the State Controller and the Information Technology Division include:

- Provide Excellent Enterprise Customer Service (ultimate goal)
- Optimize Operational Execution
- Manage Risk Effectively and Efficiently
- Foster a High Performance Culture

6 OFFICE OF THE STATE CONTROLLER IT GOALS, OBJECTIVES AND INITIATIVES

6.1 GOAL 1 – PROVIDE EXCELLENT ENTERPRISE CUSTOMER SERVICE

6.1.1 Objective 1 – Develop/Implement facilitative technology systems

6.1.1.1 Initiative 1 - Implementation of finance backbone / NCAS replacement

Summary description

This initiative will result in a new statewide Enterprise Resource Planning (ERP) system, in particular with a core backbone of a new financial system that will replace the State's current North Carolina Accounting System (NCAS).

Funding

Funding for this project will require a significant appropriations investment. The current planning project underway with the State CIO, NC GEAR and OSC will provide a cost estimate and timeframe for this project.

The planning project includes development of a strategic implementation plan for a statewide ERP. By December 15, 2014, the State Chief Information Officer shall submit the plan to the Joint Legislative Oversight Committee on Information Technology. At a minimum, the plan shall address all of the following:

- (1) Project management.
- (2) Project scope.
- (3) Specific project requirements.
- (4) Time line.
- (5) Cost by State fiscal year.
- (6) Potential funding sources.
- (7) Quality control.
- (8) Change management.
- (9) Risks associated with the project.
- (10) Stakeholder management

6.1.1.2 Initiative 2 – CMCS to Core Banking

Summary description

As the Department of State Treasurer (DST) upgrades their Core Banking system software, OSC will work with DST and Oracle to replace the CMCS system by implementing Oracle's FlexCube cash management module.

This project is planned to be completed (deployed) by the end of 2015 (calendar year). Success will be measured by deploying the new system and retiring the current CMCS system.

Major objectives to be achieved and business benefits/value that will accrue to the agency/state:

- Records appropriations, allotments, receipts and expenditures for each state entity handling cash
- Prepare interim (daily, monthly, quarterly, annually) reports of budget code activity as needed
- Increase in efficiency for OSC, DST and statewide users

Funding

The funds approved for the CMCS to FlexCube conversion include \$43,500 set aside for the discovery phase of the project and \$1,347,397 for the development and implementation of the new cash management module.

6.1.2 Objective 2 – Improve HR/Payroll Reporting

6.1.2.1 Initiative 1 - Roll out Business Objects to improve HR/Payroll reporting

Summary description

The current HR/Payroll reporting utilizes the SAP Business Warehouse solution delivered with the HR/Payroll system and deployed in 2008. Since then, SAP has purchased “Business Objects”, which significantly improves the functionality and usability of the business warehouse reporting, including adding dashboards, well-formatted reports through “Crystal Reports”, and in-depth analysis through tools such as “Web Intelligence”. SAP’s direction has been to discontinue enhancing their previous business warehouse functionality and focus on Business Objects. The Office of the State Controller is in the process of converting our current SAP enterprise HR/Payroll reporting subsystem with an enhanced Business Objects version of these reports.

The initial set of Business Objects reports will be piloted before the end of 2014, with a rollout of reports scheduled over the next two to three years. The outcome of these new reports will be measured in improved HR/Payroll reporting and analysis in the agencies.

Funding

The software licenses for the Business Objects solution were previously purchased from SAP. The conversion of the reports from the current BI system to Business Objects is covered under ongoing operations.

6.2 GOAL 2 – OPTIMIZE OPERATIONAL EXECUTION

6.2.1 Objective 1 – Develop/Implement facilitative technology systems

6.2.1.1 Initiative 1 - Implementation of finance backbone / NCAS replacement

NOTE: This initiative applies to multiple goals. Please see details under Goal 1

6.2.1.2 Initiative 2 – CMCS to Core Banking

NOTE: This initiative applies to multiple goals. Please see details under Goal 1

6.2.2 Objective 2 – Improve HR/Payroll Infrastructure

6.2.2.1 Initiative 1 – Refresh BEACON HR/Payroll Hardware, moving to an engineered system to improve performance (in particular with reporting and overnight processing), reduce maintenance efforts and reduce total cost of solution

Summary description

The hardware for the HR/Payroll system was last refreshed over five years ago. At that time, a five year warranty was purchased for these servers. Since then, the warranties have expired and the hardware is currently in extended maintenance. In addition, as the data contained in the system continues to grow and the performance of the solution has decreased, resulting in longer batch processing and reporting times. The batch processing has reached the point of not completing before the start of the next business day, and statewide reports often time out before completing. Since the last refresh, hardware technology has continued to improve, and new “engineered systems” are available that will dramatically improve performance (solving the batch processing and reporting issues) and significantly reduce the ongoing maintenance of the solution as well as the total cost of ownership. Monthly hosting charges are expected to be reduced due to the significantly reduced number of servers required and the fact that the storage is incorporated into the servers. We are currently working with OITS to understand the hosting charges for the resulting solution. These reductions are expected to offset the unfunded increases in hosting and storage costs that we have been experiencing.

Funding

Replacing the hardware for the HR/Payroll system is anticipated to cost between \$2 million and \$3 million, and be completed in the 2015-16 fiscal year.

6.3 GOAL 3 – MANAGE RISK EFFECTIVELY AND EFFICIENTLY

6.3.1 Objective 1 – Develop/Implement facilitative technology systems

6.3.1.1 Initiative 1 - Implementation of finance backbone / NCAS replacement

NOTE: This initiative applies to multiple goals. Please see details under Goal 1

6.3.1.2 Initiative 2 – CMCS to Core Banking

NOTE: This initiative applies to multiple goals. Please see details under Goal 1

6.4 GOAL 4 – FOSTER A HIGH PERFORMANCE CULTURE

6.4.1 Objective 1 – Develop/Implement facilitative technology systems

6.4.1.1 Initiative 1 - Implementation of finance backbone / NCAS replacement

NOTE: This initiative applies to multiple goals. Please see details under Goal 1

6.4.1.2 Initiative 2 – CMCS to Core Banking

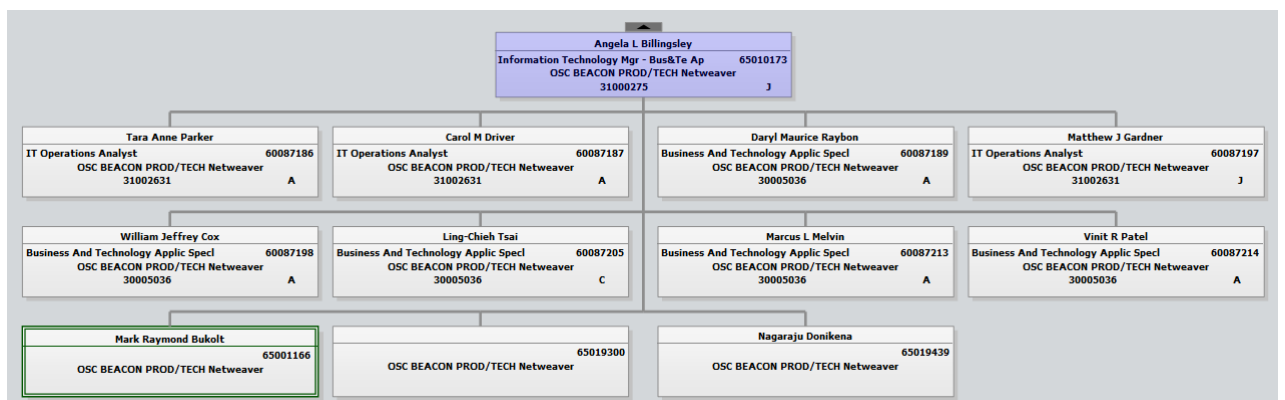
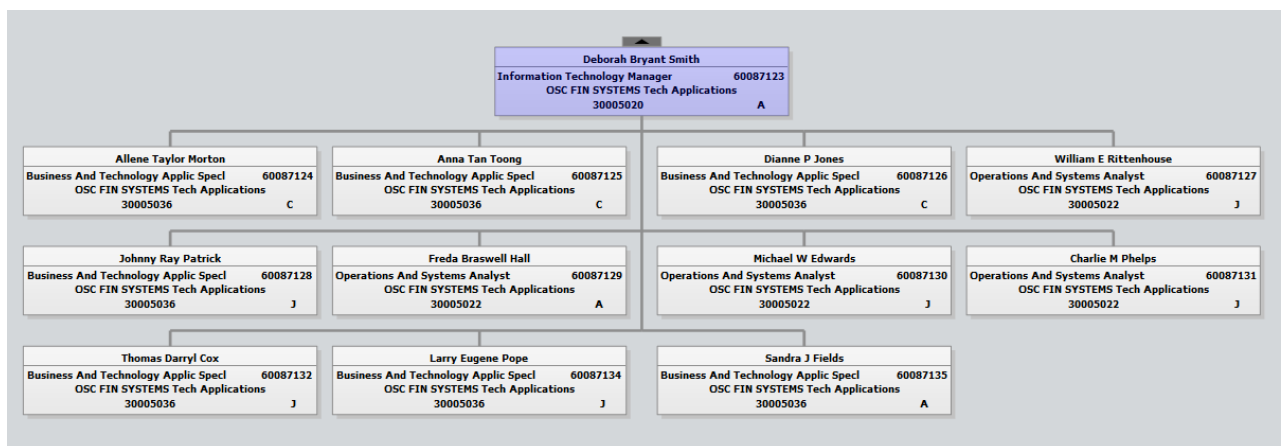
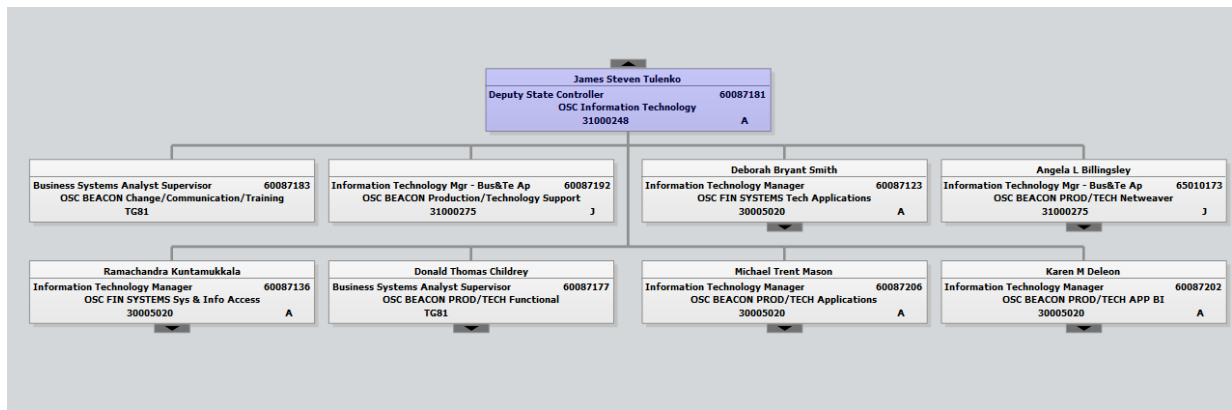
NOTE: This initiative applies to multiple goals. Please see details under Goal 1

6.4.2 Objective 2 – Improve HR/Payroll Reporting

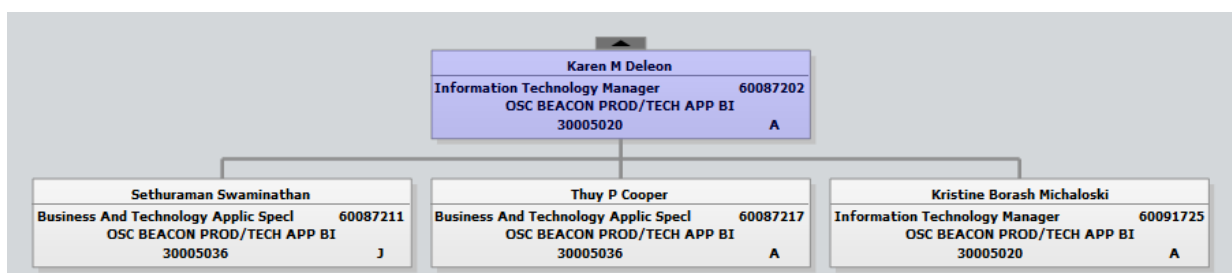
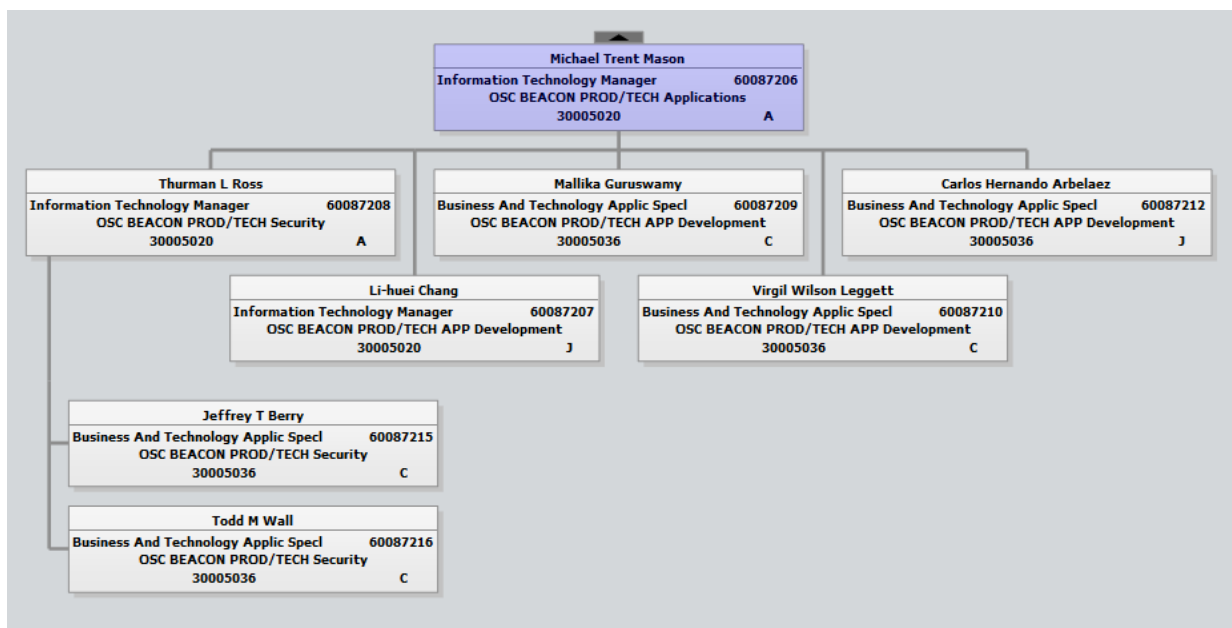
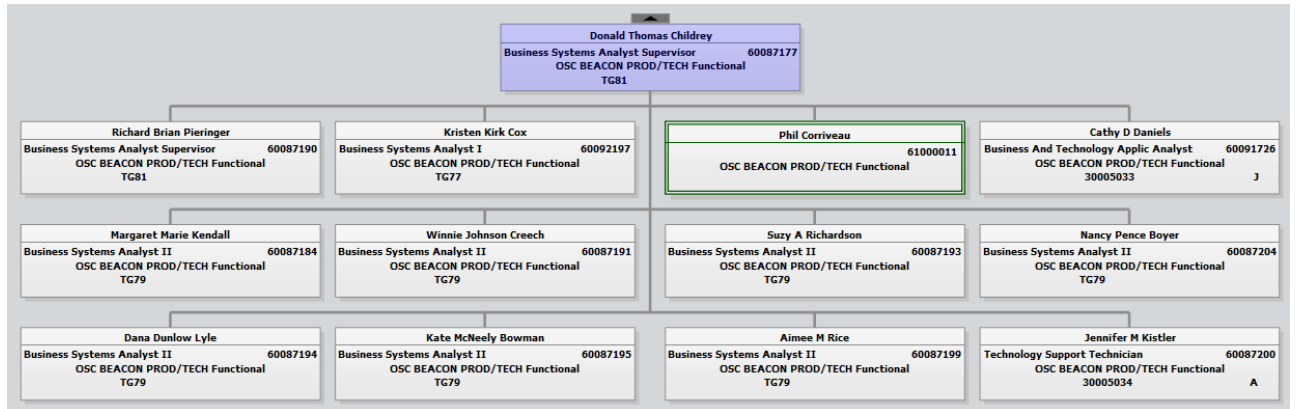
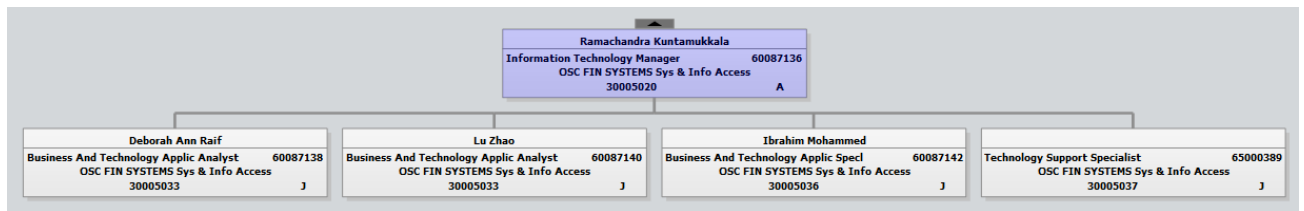
6.4.2.1 Initiative 1 - Roll out Business Objects to improve HR/Payroll reporting

NOTE: This initiative applies to multiple goals. Please see details under Goal 1

OFFICE OF THE STATE CONTROLLER IT ORGANIZATIONAL STRUCTURE (REPORTING STRUCTURE)



Information Technology Plan For 2014-2016 Biennium



7 ADDITIONAL AGENCY REQUIREMENTS

7.1 INNOVATIVE FUNDING SOLUTIONS

7.2 OPPORTUNITIES FOR STATEWIDE INITIATIVES

The primary opportunity for a statewide initiative that involves the Office of the State Controller is to develop a statewide Enterprise Resource Planning (ERP) solution that would replace NCAS and multiple subsystems currently used throughout state governments. This solution is currently in the planning stages with the State CIO, NC Government Efficiency and Reform Initiative (NC GEAR) and State Controller.

Appendix A: List of Major IT Projects

This purpose of this section is to provide list of major IT projects and applications (>\$250,000) that are in progress or planned in this biennium. The table below maps each project to overall goals and strategies.

Project Name	Short Description	Related Goals and Objectives	Summary of Anticipated Benefits	Approximate Timeframe
ERP Financials	Implementation of finance backbone / NCAS replacement	See above	See above	2015 - 2022
CMCS Replacement	CMCS to Core Banking	See above	See above	2014 - 2015
BEACON Hardware Refresh	BEACON Hardware Refresh	See above	See above	FY 2015-2016

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